

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11 (Subchapter V)
	§	
FREE SPEECH SYSTEMS LLC,	§	
	§	Case No. 22-60043 (CML)
	§	
Debtor.	§	
	§	
In re:	§	Chapter 11
	§	
ALEXANDER E. JONES,	§	
	§	
Debtor.	§	Case No. 22-33553 (CML)

DISCLOSURE TO THE COURT

Free Speech Systems, LLC (“FSS”), and Alexander E. Jones (“Jones”) each a debtor and debtor-in-possession in the above captioned chapter 11 cases, file this disclosure to the court and state the following:

1. Prior to July 29, 2022 (the “Petition Date”), FSS was paid for certain on air advertising and promotions of products by three parties (the “Advertisers”). FSS invoiced the Advertisers and received payments deposited into the Debtor’s bank account.

2. After the Petition Date, in August 2022, an employee of Free Speech Systems began doing business as Mountain Way Marketing (“Mountain Way”), which was officially formed as a limited liability company as Mountain Way Marketing LLC. Beginning in August 2022, Mountain Way commenced invoicing the Advertisers. As of the date hereof, the Advertisers paid Mountain Way a total of \$ 243,742.09. Mountain Way paid a total of \$157,272.76 to Jones.

3. FSS, through its CRO and professionals, has and continues to review records to ensure disclosure and return of all amounts paid or to be paid to Mountain Way and has kept the

Subchapter V Trustee informed of all developments regarding Mountain Way. Jones and his professionals have cooperated with FSS in all respects.

4. Jones has committed to cause all amounts paid by the Advertisers to Mountain Way to be paid to the Debtor. The source of these funds is \$157,272.76 from Jones' DIP account and \$86,469.33 from Mountain Way's account. Jones' professionals discovered today that his DIP account has a daily domestic wire limit of \$25,000. While Jones' professionals are working to have this lifted to allow for the full amount of the return to occur as soon as possible, Jones has initiated a wire of \$25,000, the daily limit, to be sent on March 24, 2023, and will continue those wires or otherwise arrange transfer of funds until the full amount has been paid to FSS. Jones disclosed the existence of this agreement with Mountain Way and the amounts due to him thereunder in his Schedules filed in his case at Docket No. 161 on February 14, 2023.

5. Mountain Way will no longer do any business related to the Advertisers with the Debtor. The Debtor will resume invoicing the Advertisers for service rendered by the Debtor. All payments received from the Advertisers for services rendered by the Debtor will be deposited into the Debtor's bank account.

6. Jones and the employees of the Debtor informed the CRO that no other transfer of estate assets has occurred after the Petition Date.

7. The CRO informed Jones and the employees of the Debtor that property of the estate may not be transferred to any person without an order of the Court.

March 24, 2023

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CERTIFICATE OF SERVICE

I certify that on March 24, 2023, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Raymond W. Battaglia

Raymond W. Battaglia